

Maine State Income Tax Information

State Abbreviation:	ME
State Tax Withholding State Code:	23
Acceptable Exemption Form:	W-4 or W-4ME
Basis For Withholding:	State Exemptions
Acceptable Exemption Data:	S, M / Number of Allowances
TSP Deferred:	Yes
Special Coding:	Determine the Total Number Of Allowances Claimed field as follows: First Position – S = Single; M = Married; Note: Previous Filing status N (Married – Filing Jointly) defaults to S (Single)◀ Second and Third Positions – Enter the number of allowances claimed. If less than 10, precede with a zero.
Additional Information:	If the W-4 is used, code it as a state tax document. ▶ An employee who had a filing status of Married, Filing Jointly (N) and wants to claim Married (M) must complete a new W-4 with filing status (M).◀

Withholding Formula ▶(Effective Pay Period 8, 2007)◀

1. Subtract the nontaxable biweekly Thrift Savings Plan contribution from the gross biweekly wages.
2. Subtract the nontaxable biweekly Federal Health Benefits Plan payment(s) (includes ▶ dental and vision insurance program, and◀ flexible spending account – health care and dependent care deductions) from the amount computed in Step 1.
3. Add the taxable biweekly fringe benefits (taxable life insurance, etc.) to the amount computed in step 2 to obtain the adjusted gross biweekly wages.
4. Multiply the adjusted gross biweekly wages by 27 to obtain the annual wages.
5. Determine the exemption allowance by applying the following guideline and subtract this amount from the result of step 4 to determine the taxable income.
$$\text{Exemption Allowance} = \$2,850 \times \text{Number of Exemptions}$$
6. Apply the taxable income computed in step 5 to the following table to determine the annual Maine income tax withholding.

**Tax Withholding Table
Single
(Filing Status S)**

If the Amount of Taxable Income Is:		The Amount of Maine Tax Withholding Should Be:		
Over:	But Not Over:	Of Excess Over:		
\$ 0	\$ ▶ 2,500	\$ 0	plus 0.0%	\$ 0
2,500	7,250	0	plus 2.0%	2,500
7,250	11,950	95	plus 4.5%	7,250
11,950	21,450	307	plus 7.0%	11,950
21,450	and over	972	plus 8.5%	21,450 ◀

**Married
(Filing Status M)**

If the Amount of Taxable Income Is:		The Amount of Maine Tax Withholding Should Be:		
Over:	But Not Over:	Of Excess Over:		
\$ 0	\$ ▶ 6,050	\$ 0	plus 0.0%	\$ 0
6,050	15,550	0	plus 2.0%	6,050
15,550	25,000	190	plus 4.5%	15,550
25,000	44,000	615	plus 7.0%	25,000
44,000	and over	1,945	plus 8.5%	44,000 ◀

7. Divide the annual Maine income tax withholding determined in step 6 by 27 and round to the nearest dollar to obtain the biweekly Maine income tax withholding.

Note: If the annual computed tax is \$40 or less, the withholding amount will be changed to zero.